

## AN ACT

ENTITLED, An Act to revise the provisions regarding plugging and performance bonds for oil and gas wells and to repeal the supplemental restoration bond requirement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 45-9-15 be amended to read as follows:

45-9-15. Without limiting its general authority, the Board of Minerals and Environment may require, or may delegate to the secretary of environment and natural resources, specific authority to require the furnishing of a plugging and performance bond in the amount as follows:

- (1) For wells at or less than fifty-five hundred feet in depth, an individual bond of ten thousand dollars per well drilled or a thirty thousand dollar blanket; or
- (2) For wells more than fifty-five hundred feet in depth, an individual bond of fifty thousand dollars per well drilled, or one hundred thousand dollars blanket,

with good and sufficient surety, conditioned for the performance of the duty to plug each dry or abandoned well, to restore the premises, insofar as possible, to the condition that existed before the filing of the application to drill; and conditioned on the proper performance of all of the requirements of §§ 45-9-5 to 45-9-18, inclusive. The condition of the bond insofar as it relates to restoration of the surface is deemed to have been complied with if the landowner or lessee and the producer or driller adopt a different plan as approved by the board. The board may require additional bond if the circumstances require.

Section 2. That § 45-9-15.1 be repealed.

Section 3. The bond requirements in section 1 of this Act do not apply to any wells permitted or drilled prior to July 1, 2013, unless the well is sold or transferred after July 1, 2013.

An Act to revise the provisions regarding plugging and performance bonds for oil and gas wells and to repeal the supplemental restoration bond requirement.

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I certify that the attached Act  
originated in the

SENATE as Bill No. 1

\_\_\_\_\_  
Secretary of the Senate  
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\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

Senate Bill No. 1  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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Received at this Executive Office  
this \_\_\_\_\_ day of \_\_\_\_\_ ,

20\_\_\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor  
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The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 20\_\_\_\_

\_\_\_\_\_  
Governor  
=====

STATE OF SOUTH DAKOTA,  
ss.

Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_\_\_  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State